

historically low error rates. Between 1999 and 2005, the national payment error rate declined 40 percent to an all-time low of 5.84 percent. In addition, there are incentives built into the program so that States are rewarded for low error rates and may be fined if they are underperforming.

By any measure the Food Stamp Program is an example of an efficiently run government program. I will insert into the RECORD the highlights of the GAO testimony before the Senate on payment errors and trafficking.

[From Highlights, Jan. 31, 2007]

FOOD STAMP PROGRAM
WHY GAO DID THIS STUDY

The U.S. Department of Agriculture's (USDA) Food Stamp Program is intended to help low-income individuals and families obtain a better diet by supplementing their income with benefits to purchase food. USDA's Food and Nutrition Service (FNS) and the states jointly implement the Food Stamp Program, which is to be authorized when it expires in fiscal year 2007. This testimony discusses our past work on two issues related to ensuring integrity of the program: (1) improper payments to food stamp participants, and (2) trafficking in food stamp benefits.

This testimony is based on a May 2005 report on payment errors (GAO-05-245) and an October 2006 report on trafficking (GAO-07-53). For the payment error report, GAO analyzed program quality control data and interviewed program stakeholders, including state and local officials. For the trafficking report, GAO interviewed agency officials, visited field offices, conducted case file reviews, and analyzed data from the FNS retailer database.

WHAT GAO FOUND

The national payment error rate for the Food Stamp Program combines states' overpayments and underpayments to program participants and has declined by about 40 percent between 1999 and 2005, from 9.86 percent to a record low of 5.84 percent, due in part to options made available to states that simplified program reporting rules. In 2005, the program made payment errors totaling about \$1.7 billion. However, if the 1999 error rate was in effect in 2005, program payment errors would have been \$1.1 billion higher. FNS and the states we reviewed have taken several steps to improve food stamp payment accuracy, most of which are consistent with internal control practices known to reduce improper payments. These include practices to improve accountability, perform risk assessments, implement changes based on such assessments, and monitor program performance.

FNS estimates indicate that the national rate of food stamp trafficking declined from about 3.8 cents per dollar of benefits redeemed in 1993 to about 1.0 cent per dollar during the years 2002 to 2005 and that trafficking occurs more frequently in smaller stores. FNS has taken advantage of electronic benefit transfer and other new technology to improve its ability to detect trafficking and disqualify retailers who traffic. Law enforcement agencies have investigated and referred for prosecution a decreasing number of traffickers; they are instead focusing their efforts on fewer high-impact investigations. Despite the progress FNS has made in combating retailer trafficking, the Food Stamp Program remains vulnerable because retailers can enter the program intending to traffic and do so, often without fear of severe criminal penalties, as the declining number of investigations referred for prosecution suggests.

While both payment errors and trafficking of benefits have declined in a time of rising participation, ensuring program integrity remains a fundamental challenge facing the Food Stamp Program. To reduce program vulnerabilities and ensure limited compliance-monitoring resources are used efficiently, GAO recommended in its October 2006 trafficking report that FNS take additional steps to target and provide early oversight of stores most likely to traffic; develop a strategy to increase penalties for trafficking, working with the Inspector General as needed; and promote state efforts to pursue recipients suspected of trafficking. FNS generally agreed with GAO's findings, conclusions, and recommendations. However, FNS believes it does have a strategy for targeting resources through their use of food stamp transaction data to identify suspicious transaction patterns. GAO believes that FNS has made good progress in its use of these transaction data; however, it is now at a point where it can begin to formulate more sophisticated analyses.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. HARMAN (at the request of Mr. HOYER) for today after 12 noon on account of official travel.

Mrs. JONES of Ohio (at the request of Mr. HOYER) for today on account of death in the family.

Mrs. JONES of Ohio (at the request of Mr. HOYER) for May 14.

Mr. WYNN (at the request of Mr. HOYER) for May 16 after 4 p.m.

Mr. BAIRD (at the request of Mr. HOYER) for today through May 22.

ADJOURNMENT

Mr. FRANK of Massachusetts. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 36 minutes a.m.), under its previous order, the House adjourned until Monday, May 21, 2007, at 10:30 a.m., for morning-hour debate.

EXECUTIVE COMMUNICATIONS,
ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

1816. A letter from the Comptroller, Department of Defense, transmitting the Secretary's certification that the current Future Years Defense Program (FYDP) fully funds the support costs associated a multi-year procurement for the V-22 Osprey, pursuant to 10 U.S.C. 2306b(i)(1)(A); to the Committee on Armed Services.

1817. A letter from the General, Department of the Army, Department of Defense, transmitting a letter regarding the U.S. Army Training and Doctrine Command (TRADOC); to the Committee on Armed Services.

1818. A letter from the Under Secretary for Personnel and Readiness, Department of Defense, transmitting a letter on the approved retirement of Lieutenant General Steven W. Boutelle, United States Army, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

1819. A letter from the Chairman and President, Export-Import Bank, transmitting a report on transactions involving U.S. exports to Singapore pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended; to the Committee on Financial Services.

1820. A letter from the Secretary, Department of Education, transmitting the Department's final rule — Title I — Improving the Academic Achievement of the Disadvantaged; Individuals With Disabilities Education Act (IDEA) — Assistance to States for the Education of Children with Disabilities (RIN: 1810-AA98) received May 14, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and Labor.

1821. A letter from the Secretary, Department of Labor, transmitting a copy of proposed legislation entitled, "Workforce Investment Act Amendments of 2007"; to the Committee on Education and Labor.

1822. A letter from the Chairman, Occupational Safety and Health Review Commission, transmitting the Commission's report on the amount of the acquisitions made from entities that manufacture the articles, materials, or supplies outside of the United States in fiscal year 2006, pursuant to Public Law 109-115, section 837; to the Committee on Education and Labor.

1823. A letter from the Director, International Cooperation, Department of Defense, transmitting Pursuant to Section 27(f) of the Arms Export Control Act and Section 1(f) of Executive Order 11958, Transmittal No. 02-07 informing of an intent to sign the Special Forces Equipment Capability Memorandum of Understanding between the United States and Australia, pursuant to 22 U.S.C. 2767(f); to the Committee on Foreign Affairs.

1824. A letter from the Secretary, Department of the Treasury, transmitting a six month periodic report on the national emergency with respect to the Democratic Republic of the Congo that was declared in Executive Order 13413 of October 27, 2006, pursuant to 50 U.S.C. 1641(c); to the Committee on Foreign Affairs.

1825. A letter from the Secretary, Department of the Treasury, transmitting as required by Executive Order 13313 of July 31, 2003, a six-month periodic report on the national emergency with respect to the Development Fund for Iraq that was declared in Executive Order 13303 of May 22, 2003, pursuant to 50 U.S.C. 1641(c); to the Committee on Foreign Affairs.

1826. A letter from the Secretary, Department of the Treasury, transmitting as required by Executive Order 13313 of July 31, 2003 a six-month periodic report on the national emergency with respect to Burma declared by Executive Order 13047 of May 20, 1997, pursuant to 50 U.S.C. 1641(c); to the Committee on Foreign Affairs.

1827. A letter from the Secretary, Department of the Treasury, transmitting a six month periodic report on the national emergency with respect to Sudan that was declared in Executive Order 13067 of November 3, 1997, pursuant to 50 U.S.C. 1641(c); to the Committee on Foreign Affairs.

1828. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting Copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b; to the Committee on Foreign Affairs.

1829. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 17-39, "Human Papillomavirus Vaccination and Reporting Act of 2007," pursuant to D.C. Code section 1-233(c)(1); to the Committee on Oversight and Government Reform.

1830. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 17-40, "Lorraine H.